SUBCOMMITTEE NO. 3 Agenda Health, Human Services, Labor & Veteran's Affairs

Thursday, April 19, 2007

Attachment 1

- SEC. 39. Section 11454.2 is added to the Welfare and Institutions Code, to read:
- 11454.2. (a) An assistance unit shall not be eligible for aid under this chapter when the assistance unit has received aid under this chapter for a cumulative total of 60 months during which no adult was part of the assistance unit because the adults who would otherwise have been members of the assistance unit were in any of the following categories:
 - (1) A person not lawfully present in the United States.
- (2) A person described by subparagraph (A) of paragraph (9) of subdivision (a) of Section 608 of Title 42 of the United States Code.
- (3) A person convicted of any offense classified as a felony by the law of the jurisdiction involved and which has as an element the possession, use, or distribution of a controlled substance, as defined in paragraph (6) of Section 802 of Title 21 of the United States Code.
- (b) No month in which aid has been received prior to January 1, 1998, shall be taken into consideration in computing the 60-month limitation provided for in subdivision (a).
- SEC. 40. Section 12306.1 of the Welfare and Institutions Code is amended to read:
- 12306.1. (a) When any increase in provider wages or benefits is negotiated or agreed to by a public authority or nonprofit consortium under Section 12301.6, then the county shall use county-only funds to fund-both the county share and the state the nonfederal share, including employment taxes, of any increase in the cost of the



program, unless otherwise provided for in the annual Budget Act or appropriated by statute. No increase in wages or benefits negotiated or agreed to pursuant to this section shall take effect unless and until, prior to its implementation, the department has obtained the approval of the State Department of Health Services for the increase pursuant to a determination that it is consistent with federal law and to ensure federal financial participation for the services under Title XIX of the federal Social Security Act, and unless and until all of the following conditions have been met:

- (1) Each county has provided the department with documentation of the approval of the county board of supervisors of the proposed public authority of nonprofit consortium rate, including wages and related expenditures. The documentation shall be received by the department before the department and the State Department of Health Services may approve the increase.
- (2) Each county has met department guidelines and regulatory requirements as a condition of receiving state participation in the rate.
- (b) Any rate approved pursuant to subdivision (a) shall take effect commencing on the first day of the month subsequent to the month in which final approval is received from the department. The department may grant approval on a conditional basis, subject to the availability of funding.
- (c) The state shall pay 65 percent, and each county shall pay 35 percent, of the nonfederal share of wage and benefit increases benefits negotiated by a public authority or nonprofit consortium pursuant to Section 12301.6 and associated employment taxes, only in accordance with subdivisions (d) to (f), inclusive and (e).



(d) (1) The state shall participate as provided in subdivision (e) in wages up to seven dollars and fifty cents (\$7.50) per hour and individual health benefits up to sixty cents (\$0.60) per hour for all public authority or nonprofit consortium providers. This paragraph shall be operative for the 2000–01 fiscal year and each year thereafter unless otherwise provided in paragraphs (2), (3), (4), and (5), and without regard to when the wage and benefit increase becomes effective.

(2) The state shall participate as provided in subdivision (c) in a total of wages and individual health benefits up to nine dollars and ten cents (\$9.10) per hour, if wages have reached at least seven dollars and fifty cents (\$7.50) per hour. Counties shall determine, pursuant to the collective bargaining process provided for in subdivision (c) of Section 12301.6, what portion of the nine dollars and ten cents (\$9.10) per hour shall be used to fund wage increases above seven dollars and fifty cents (\$7.50) per hour or individual health benefit increases, or both. This paragraph shall be operative for the 2001–02 fiscal year and each fiscal year thereafter, unless otherwise provided in paragraphs (3), (4), and (5).

(3) The state shall participate as provided in subdivision (c) in a total of wages and individual health benefits up to ten dollars and ten cents (\$10.10) per hour, if wages have reached at least seven dollars and fifty cents (\$7.50) per hour. Counties shall determine, pursuant to the collective bargaining process provided for in subdivision (c) of Section 12301.6, what portion of the ten dollars and ten cents (\$10.10) per hour shall be used to fund wage increases above seven dollars and fifty cents (\$7.50) per hour or individual health benefit increases, or both. This paragraph shall be operative commencing with the next state fiscal year for which the May Revision forecast of



General Fund revenue, excluding transfers, exceeds by at least 5 percent, the most current estimate of revenue, excluding transfers, for the year in which paragraph (2) became operative.

(4) The state shall participate as provided in subdivision (c) in a total of wages and individual health benefits up to eleven dollars and ten cents (\$11.10) per hour, if wages have reached at least seven dollars and fifty cents (\$7.50) per hour. Counties shall determine, pursuant to the collective bargaining process provided for in subdivision (c) of Section 12301.6, what portion of the eleven dollars and ten cents (\$11.10) per hour shall be used to fund wage increases or individual health benefits, or both. This paragraph shall be operative commencing with the next state fiscal year for which the May Revision forecast of General Fund revenue, excluding transfers, exceeds by at least 5 percent, the most current estimate of revenues, excluding transfers, for the year in which paragraph (3) became operative.

(5) The state shall participate as provided in subdivision (c) in a total cost of wages and individual health benefits up to twelve dollars and ten cents (\$12.10) per hour, if wages have reached at least seven dollars and fifty cents (\$7.50) per hour. Counties shall determine, pursuant to the collective bargaining process provided for in subdivision (e) of Section 12301.6, what portion of the twelve dollars and ten cents (\$12.10) per hour shall be used to fund wage increases above seven dollars and fifty cents (\$7.50) per hour or individual health benefit increases, or both. This paragraph shall be operative commencing with the next state fiscal year for which the May Revision forecast of General Fund revenue, excluding transfers, exceeds by at least 5



percent, the most current estimate of revenues, excluding transfers, for the year in which paragraph (4) became operative.

(e) (1) On or before May 14 immediately prior to the fiscal year for which state participation is provided under paragraphs (2) to (5), inclusive, of subdivision (d), the Director of Finance shall certify to the Governor, the appropriate committees of the Legislature, and the department that the condition for each subdivision to become operative has been met.

(2) For purposes of certifications under paragraph (1), the General Fund revenue forecast, excluding transfers, that is used for the relevant fiscal year shall be calculated in a manner that is consistent with the definition of General Fund revenues, excluding transfers, that was used by the Department of Finance in the 2000–01 Governor's Budget revenue forecast as reflected on Schedule 8 of the Governor's Budget.

(f) Any increase in overall state participation in wage and benefit increases under paragraphs (2) to (5), inclusive, of subdivision (d), shall be limited to a wage and benefit increase of one dollar (\$1) per hour with respect to any fiscal year. With respect to actual changes in specific wages and health benefits negotiated through the collective bargaining process, the state shall participate in the costs, as approved in subdivision (e), up to the maximum levels as provided under paragraphs (2) to (5), inclusive, of subdivision (d).

(d) For the remainder of the 2006–07 fiscal year and any fiscal year thereafter, the state shall participate as provided in subdivision (c) in a total of wages and individual health benefits up to the level of wages and benefits approved by the department for each county on or before the effective date of this section made by this act.



- (e) The level of state participation provided for in subdivision (d) may increase as necessary to accommodate wage increases that are solely due to increases in the state minimum wage. The level of state participation provided for in subdivision (d) may also increase and remain at a higher level if funds are specifically appropriated for this purpose in the Budget Act or subsequent legislation.
- SEC. 41. Section 14124.93 of the Welfare and Institutions Code is amended to read:
- 14124.93. (a) The Department of Child Support Services shall provide payments to the local child support agency of fifty dollars (\$50) per case for obtaining third-party health coverage or insurance of beneficiaries, to the extent that funds are appropriated in the annual Budget Act.
- (b) A county shall be eligible for a payment if the county obtains third-party health coverage or insurance for applicants or recipients of Title IV-D services not previously covered, or for whom coverage has lapsed, and the county provides all required information on a form approved by both the Department of Child Support Services and the State Department of Health <u>Care</u> Services.
- (c) Payments to the local child support agency under this section shall be suspended for the 2003–04, 2004–05, 2005–06, and 2006–07, and 2007–08 fiscal years.
- SEC. 42. Section 16605 of the Welfare and Institutions Code is amended to read:
- 16605. (a) The department shall, subject to the availability of funds appropriated therefor, conduct a Kinship Support Services Program that is a grants-in-aid program

